

**SCOTTSDALE CITY COUNCIL  
SUBCOMMITTEE ON REGIONAL AVIATION ISSUES  
AND SCOTTSDALE AIRPORT ADVISORY COMMISSION**



**Public Meeting  
Wednesday, April 21, 2004 at 5:00 p.m.  
Scottsdale Airport Terminal Building  
15000 N. Airport Drive**

Subcommittee Members  
Councilman Wayne Ecton  
Councilman Bob Littlefield

Commission Members  
Donald Maxwell, Chairman

Leonard Tinnan, Vice Chairman  
Philip Vickers  
Fred Madanick

Bill Mack  
Tom Guilfooy  
Mike Osborne

Staff Present  
Scott Gray, Aviation Director  
Gary Mascaro, Asst. Aviation Director, Administration  
Chris Read, Assistant Aviation Director, Operations  
Myron Kuklok, Risk Management Director

Jennifer Lewis, Aviation Planner  
Matt Johnson, Airport Specialist  
Sue Welch, Risk Management

**MINUTES**

**CALL TO ORDER**

Chairman Maxwell called the meeting to order at 5:00 p.m.

**ROLL CALL**

Roll call confirmed members present as stated above.

**PUBLIC COMMENTS**

None.

**MINUTES**

**1. Action - Subcommittee**

Approval of minutes of the February 18, 2004 Subcommittee Regular Meeting.

Councilman Littlefield made a motion to approve the minutes of the February 18, 2004 meeting. Councilman Ecton seconded the motion and the minutes were approved by a vote of 2-0.

**2. Action - Commission**

Approval of minutes of the March 10, 2004 Airport Advisory Commission Regular Meeting.

Vice Chairman Tinnan had some issues with Item 7 and requested wording changes and additions in Item 5 to clarify why he made his motion. He requested a substantial number of changes to the draft minutes and would like to make a motion to defer approval of the draft minutes to the next meeting. Chairman Maxwell agreed. Commissioner Mack made a motion to defer approval of the minutes to the next meeting. Commissioner Osborne seconded the motion and item was deferred to the next meeting.

**AERONAUTICAL BUSINESS PERMIT(S)****3. Action**

Ratification of Airport Aeronautical Business Permit for Baker Aviation, L.L.C. to provide aircraft leasing or rental services at Scottsdale Airport.

Mr. Matt Johnson advised the Commission that Baker Aviation, L.L.C. has provided the appropriate documentation and has met the insurance requirements according to the Airport Minimum Operating Standards. Baker Aviation L.L.C. is using one tie down. Permit fees are anticipated to generate \$2,450 in annual revenue to the Aviation Enterprise Fund. Mr. Tom Baker, president of Baker Aviation, L.L.C. was present at the meeting.

Vice Chairman Tinnan made a motion to approve ratification of the Airport Aeronautical Business Permit for Baker Aviation, L.L.C. Commissioner Mack seconded the motion and it passed by a vote of 7-0.

**4. Information**

Aeronautical Business Permit Additions, Cancellations, or Revocations.

Mr. Johnson asked the Commission if they had any questions concerning this item. He noted there were two new additions: Dynasty Air and Arizona Piper.

**GENERAL BUSINESS**

Chairman Maxwell advised the Commission that Ms. Jennifer Lewis had to leave the meeting early and the items she will be presenting: Items 14, 15, 17 and 18 would be taken before Item 5 on the agenda.

**14. Information**

Recommended changes to the Airport Minimum Operating Standards requiring additional reporting and implementation measures in the Approved Wash Plan (AWP) for all mobile aircraft washing services operators.

Ms. Lewis detailed the proposed changes to Section 7-10 of the Airport Minimum Operating Standards to modify the Approved Wash Plan (AWP) requirements, which will require that a copy of the AWP be on-site at each wash location, and to request that a list of washed aircraft be attached to the monthly billing payment form. Ms. Lewis noted that aircraft washers were concerned that an advanced list of aircraft was not reasonable since most of their business is conducted on an on-call basis, therefore, providing a list of the previous month's customers was more feasible. Ms. Lewis advised the Commission this item would be brought back as an action item at the next meeting.

**15. Information**

Recommended changes to the Airport Rules and Regulations pertaining to aircraft washing and wastewater disposal.

Ms. Lewis stated the proposed changes to the Rules and Regulations will require all aircraft washing to be conducted at an approved wash rack and/or pad, or by mobile aircraft washing providers who have approved wash plans with the airport. She added it will also require aircraft maintenance hangars to be equipped with oil/water separators, and restrict wastewater disposal to sewer or sink drains and only if the waste water does not contain hazardous waste. Ms. Lewis added the proposed changes meet the Arizona Department of Environmental Quality standards.

**PILOT COMMUNITY OUTREACH UPDATE****17. Information**

March 2004 Noise Report.

Ms. Lewis advised the Commission they have been provided a copy of a draft noise report for March, which is in a new format. Staff would like the Commission to provide their comments or suggestions which would be incorporated into a final report next month. Vice Chairman Tinnan stated he liked the new abbreviated format.

Vice Chairman Tinnan asked for background on the March 4, 2004 noise correspondence memo from Mr. Fanning of the Pilot Insurance Center. Ms. Lewis stated she has not spoken with this pilot, but everyone who operates during nighttime hours is sent an awareness letter and the letter states if they have a choice of operating times they should consider not operating during nighttime hours.

Commissioner Guilfooy stated he has spoken to this pilot who stated he was hosting an insurance function at the time he came to Scottsdale, and that he typically comes to Scottsdale seven times a year. Commissioner Guilfooy added the pilot took great offense at receiving the voluntary curfew letter and subsequently uses Falcon Field. He noted the pilot stated he is very active in the NBAA and if asked he would not volunteer to go to Scottsdale if he had a choice.

Commissioner Mack asked if the top complaint caller with 562 complaints were manual phone calls or if they were computer-generated. Ms. Lewis responded they were entered into the computer.

Chairman Maxwell asked if the voluntary curfew letters could be addressed at another meeting to see if they could be done differently; we want to be considered a user-friendly airport. Ms. Lewis stated based on comments from people who have received those letters, some have complained about the verbiage and staff has been working on changes. However, the message will be the same; if you have a choice, this is what we prefer, if you don't have a choice then you can continue operating as a good neighbor. Ms. Lewis stated there are Stage 2 letters and Voluntary Curfew letters. The Stage 2 operator letter states if they have a choice of aircraft they should use Stage 3. The Voluntary Curfew letter requests if they have a choice of time to avoid nighttime hours.

Vice Chairman Tinnan suggested there should be two versions of the curfew letter; one for pilots based here, and one for visitors. Commissioner Vickers stated that would be over-reacting to the complaint of one pilot and they should not send separate letters for different groups of pilots. He stated the way its done now is fine.

Commissioner Vickers advised he heard that a number of general aviation airports send out letters thanking those who use quieter aircraft as positive feedback to those who spent money to upgrade their aircraft. Ms. Lewis said we base our letter on the aircraft type and many times are unaware that an aircraft has been retrofitted. Commissioner Vickers inquired why our airport doesn't have the aircraft information the other airports have. Ms. Lewis suggested that if Commissioner Vickers would give her the names of those airports, she would call and ask what resources they use. Commissioner Vickers agreed to do that.

## **18. Information**

### **Pilot/Community Outreach Program Update**

Ms. Lewis gave an overview of the items in the Pilot/Community Outreach Program. She provided detail on several items including the educational video, signage, homeowner association outreach and presentations, and the Part 150 Study. Commissioner Mack stated signage should caution people about jet aircraft noise or low flying aircraft so people considering buying a home in the area will be aware of the airport. Ms. Lewis stated they are looking at signage in the Part 150 Study and observing what other airports do. Councilman Ecton stated that signage would have to be a City policy decision and recommendations made to the City Council for their consideration, independent of the Part 150 Study. He added whatever the City decided to do would be included in the Part 150 Study.

Ms. Lewis provided a brief summary of the Part 150 Public Workshop that took place on March 31<sup>st</sup>, and advised the Commission there were 70 people in attendance, including members of the community, pilots, business representatives, FAA, and Airport staff. She stated the major concerns that evening were low over-flights and helicopters. She added there would be two additional workshops later this year, and a public hearing scheduled for sometime in November.

## **GENERAL BUSINESS**

### **5. Information**

Washington D.C. Trip Report – Councilman Ecton.

Councilman Ecton noted the article in *"The Arizona Republic"* concerning the radar system. He stated when he was in Washington, D.C. he met with John McCain's staff, among others, asking for their assistance with this issue. Councilman Ecton added they also discussed the need for an airspace study. He stated it would take some diligence to make it happen. Councilman Ecton added he did not know what impact such a study would have on noise in Scottsdale, but hopefully some good would come out of it.

Councilman Ecton advised they also discussed the idea of visiting the FAA Regional Office in Los Angeles and they agreed it is something they would like to arrange. He stated the more input the FAA receives and the more people complain and make suggestions, the more likely something will be done.

### **6. Action - Commission**

Consider motion to rescind and revote on the March 10, 2004 action recommending to the City Council to AUTHORIZE Agreement No. 2001-133A-COS Lease Amendment between the City of Scottsdale and Scottsdale Air Center Real Estate, L.L.C.

Mr. Scott Gray advised the Commission that Item 6 requires two different motions. Mr. Gray explained they need a motion to rescind and revote on the March 10, 2004 action recommending the City Council authorization of the lease amendment between the City of Scottsdale and Scottsdale Air Center. Depending on the result of that vote, the second motion would be a recommendation on the lease amendment.

Mr. Gray stated the reason this item is on the agenda tonight is to clarify the action that took place at the March 10<sup>th</sup> meeting where there was confusion on the presentation and what was shown on the Exhibit, versus what the understanding of the motion was. Mr. Gray added he has had conversations with the City Attorney's office on the appropriate method to do this; the only one available to the Commission is to rescind the action under Robert's Rules of Order, and to revote on the item. Mr. Gray advised Commissioner Madanick to hold off on the first issue since he was not present at the last meeting, however, he can participate in the revote.

Mr. Gray advised the Commission that Mr. Tommy Walker, General Manager of Scottsdale Air Center, was present to respond to any specific issues from the Commission. Mr. Gray stated the packet includes the language for the amendment, and includes a site plan detailing the proposed construction. He added the requirement for construction under this agreement and discussed the details of the site plan with the Commission denoting where the various structures would be located.

Mr. Gray stated the City Attorney and the attorney for Scottsdale Air Center subsequently had some discussion and determined that line item 5 on page 2 of the document is not necessary and has been removed from the signed version of the document. Mr. Gray stated one other question that has come to their attention is subsequent completion date of the rest of the vertical construction. Mr. Gray advised there is no date requirement for the rest of the vertical construction, although it is obviously in the best interest of the tenant to construct as soon as possible.

Chairman Maxwell stated they should decide if they are going to rescind the prior motion at this point.

Vice Chairman Tinnan provided a synopsis of what had taken place since the last meeting, as he understood it. He requested hearing from the tenant before moving forward on this issue.

Mr. Tommy Walker stated Scottsdale Air Center has obviously committed a large amount of dollars and improvements to this airport, which includes the east side and they are committed to complete the project. He added they will spend in excess of over \$4 million dollars, and the improvements of the other 4 or 5 hangars will be completed because without that they would have made a bad deal. They do not have a totally leased out property at this time, but they will have other commitments as they go through the process.

Chairman Maxwell provided a synopsis of discussions during the last meeting and stated that Mr. Walker or Mr. Marchman indicated that the entire diagram was to be completed by December 05 and therefore nobody else could build hangars there faster than you could.

Mr. Walker indicated it was not their intent to complete the entire project by that date. He stated they are just trying to economically, and in a business manner, complete this project and have something everyone could live with and be proud of what they're are doing under the fractional arrangement they have.

Chairman Maxwell stated as he understands it they will do a portion of the building on this site plan or the hash mark area and have that completed by December 05, but they will not commit to building out the entire parcel on any time limit.

Mr. Walker stated there are no time limits to complete the entire site.

Mr. Gary Mascaro stated that they have to build the entire infrastructure, including the concrete ramp, underground drainage, storage, parking, landscape or they won't receive a certificate of occupancy from the City. The only vertical structure that he will be developing at that point would be the hashed areas on that form which includes the two hangars and the office.

Commissioner Guilfooy inquired what happens if they don't extend it. Mr. Gray responded the action that the Commission took at the last meeting was to approve a lease amendment that at the time was not included in the Commission packet. This is the lease amendment that would be going to the City Council.

Commissioner Vickers stated he was the only one who voted against the lease extension initially and he will continue to vote against it because in his view it is a significant asset owned by the City of Scottsdale in which a development agreement land lease was entered into in the year 2001 and in which the parties would complete the project by October 2004. They choose to put substantially more money into one portion of the project, the City didn't require that, that was a personal decision on the part of the developer and they did a wonderful job, but he believes that to their own development of the first parcel they also indicated they raised the value of the taxpayers assets on the other parcel. He does not believe any extension should be given beyond the existing period unless the taxpayers of the City of Scottsdale receive some kind of negotiated fee for the extension agreement and he does not believe that their land lease payment is adequate consideration. Commissioner Vickers stated he would continue to vote no on this because he does not think it is in the best financial interests of the citizens of Scottsdale.

Chairman Maxwell stated he has a citizen speaker comment card from Mr. John Frevola.

Mr. John Frevola, Corporate Jets, addressed the Commission stating that the Cholla Parcel is clearly the most valuable undeveloped piece of property on Scottsdale Airport and it was part of Scottsdale Air Center's lease and Scottsdale Air Center is currently in default by not submitting final plans for development of the Cholla Parcel in October of 2003. He added the airport clearly needs more hangars and the project that was proposed to the Commission by Scottsdale Air Center is a beautiful project and it probably would address the needs. At the last meeting the Commission voted to give an extension to

Scottsdale Air Center based on the fact that they were going to complete everything by December 2005. Mr. Frevola added at the last meeting Scottsdale Air Center wasn't willing to build any hangars. However, now they come back with a modification. He added the issue at hand is they are making no commitment to complete the rest of the project. He stated there are many other companies in this City that would be willing to bid on that property and commit to building an entire project. Mr. Frevola stated there is no obligation or commitment for them to ever build anything beyond the two hangars. He believes the parcel should be re-bid and see what offers come in.

Commissioner Guilfooy stated he has a copy of the lease and said he still doesn't know why we are here. He said it is a property deal, an RFP went out to bid, there were a number of respondents, the contract was awarded and it's a simple lease extension. The initial lease didn't talk about five buildings, it didn't talk about two buildings and it just said the infrastructure. He said unless you are changing the initial contract we're really just changing the date of the contract. Chairman Maxwell stated that was not correct. He said they are asking for an open extension. Commissioner Guilfooy stated they already had an open extension of time and it is an economic loss that's built into the contract if they don't build. He added there are two parcels and the contract doesn't speak to two parcels of land really, it speaks with the main deal, which is Scottsdale Air Center Real Estate, LLC and they have a lessee, Scottsdale Air Center. If they want to bear an economic loss of finishing a project now and never building another building but paving over there, the initial contract provides for that.

Mr. Gray stated the existing lease agreement would allow that to happen if staff approves whatever the site plan was for the Cholla Parcel. Commissioner Guilfooy stated because the tenant has been working with staff the staff in essence has approved the request, an administrative request, to extend the timeline one year and two months because the tenant has worked with the City. The contract says, tenant will go to the City and City will review and approve and put in place; it is just a simple contract extension.

Mr. Gray stated he mentioned at the last meeting they were instructed by the City Attorney's office that an agreement between staff and the lessee could have been done without an amendment, but he did not believe that was appropriate and believed they should do a formal lease amendment with extension of the date. In addition, they also attached a confusing exhibit that shows what they are supposed to develop. That site plan could change over time because if they came to us after this is approved by City Council and told us hangars 3 and 4 were sold and we're going to go ahead and do them, then it would be done at the same time.

Chairman Maxwell stated he would feel more comfortable if there was an assertion by Scottsdale Air Center that it was going to be built out.

Mr. Gray stated in regards to a final completion date, staff did not require it in the lease amendment for the main reason that it is a development issue. One of the things staff would not want to do to any of the tenants is to force them to build facilities that are not leased resulting in bankruptcy or any number of financial hardships. He added their goal is to get the site developed, all the surface development, the three vertical constructions of the two hangars, and one office, and the site is basically complete. Any other developer in the Airpark would build facilities as they are needed. Mr. Gray stated he is certain that if Scottsdale Air Center was approached by four companies that wanted those hangars built, he's sure Mr. Walker would be happy to build and lease them. He does not believe it is his position as staff to force them to build them with the possibility of them sitting empty and thereby jeopardizing the entire project.

Councilman Littlefield inquired on the content of the initial lease. Councilman Littlefield asked if Mr. Gray's conversation with the City Attorney was such that Mr. Gray believes that the contents of Exhibit B could be changed as long as the staff approves.

Mr. Gray responded that was correct and Mr. Kelly Ward of the City Attorney's office is in agreement. Councilman Ecton asked if he is correct that the revised site plan does not even belong in there and Mr. Gray responded that was correct. Mr. Gray said the reason the site plan was included was to try to

address what actually was going to be built by the deadline. Councilman Ecton asked if he was correct that if it is approved, the only thing that will have changed is the date in the original lease will go from October 1, 2004 to December 31, 2005. Mr. Gray responded that is correct with the exception of what is included is the minimum that has to be built.

Councilman Ecton said that's not what it says and that it says here's a site plan in the original lease, and here's a revised site plan. He asked if you can amend that site plan and in that case there is nothing that says what the minimum is and that it is up to their discretion.

Mr. Gray stated he would try to interpret the lease. Councilman Ecton said he thinks it says we want to make sure this gets built in some form, but regardless of what the date becomes, the form is pretty much open. Councilman Ecton said he would like to know what has been committed since it is not clear here or in the original agreement.

Mr. Gray restated the construction required to be completed.

Chairman Maxwell stated the Commission's vote on the motion by Vice Chairman Tinnan was that the entire project had to be built by December 05. Subsequently, they found out that was not the intent and that's why they thought to rescind that motion and then to try to get a motion if we are going to approve it with reference to the representations that are made today. Chairman Maxwell asked if that was correct?

Mr. Gray responded that was correct. Since there was confusion on what was verbal and what was written, they met to discuss and clarify for the Commission what the actual action recommends to the City Council. The Commission would have an opportunity to rescind what was said and what they understood was voted on, and to act on that same item again and direct staff accordingly.

Chairman Maxwell stated he thought that was the proper procedure and that was what they have to do. He asked Vice Chairman Tinnan if he would like to rescind his recommendation.

Vice Chairman Tinnan moved to rescind the action of March 10<sup>th</sup>. Mr. Gray stated he would need that motion to be rescinded and revote.

Vice Chairman Tinnan agreed to add that.

Several Commissioners inquired as to the process.

Mr. Gray reiterated that there will be two separate actions; the motion just made was to rescind the action that was taken on March 10<sup>th</sup>, and revote on that action. If that passes, the Chairman can entertain another motion. If it is to forward to the City Council the modified lease amendment with the attached exhibit so it's clear, that's what will go to City Council.

Commissioner Guilfooy asked if they do that are they going to be saying send a modified diagram. He asked why they don't stay with the initial one, send it downtown to clean it up, and let the City Council vote on it. Mr. Gray stated the direction of the Commission on the subsequent action to send it to the City Council and direct staff to modify that exhibit, we need to recall that the lease amendment and the exhibit was not before the Commission at the last meeting. We now have the lease amendment as written and the exhibit as presented. If the Chairman would entertain changes to that document and/or the exhibit those would be included in either minutes or the documents and sent to the City Council. Chairman Maxwell said to do it that way.

Chairman Maxwell stated there is a motion on the floor to rescind and revote the action taken by this Commission on March 10<sup>th</sup>.

The motion passed by a vote of 5-1, with Commissioner Guilfooy opposed; Commissioner Madanick abstaining.

Vice Chairman Tinnan made a motion to recommend to the City Council that the lease for the Scottsdale Air Center be extended to October 1, 2004 to December 31, 2005 with the express understanding that the entire site plan for the Cholla Parcel be completed by that date with the exception of hangars 3, 4, 5, 6 and the offices attached thereto.

Commissioner Osborne seconded the motion.

Commissioner Vickers indicated that he would continue to vote no for the reason he previously stated.

The motion passed by a vote of 4-3 with Commissioners Vickers, Mack and Madanick opposed.

Councilman Ecton asked if he understood correctly that if they reach October 1, and if there is no extension, is it not really in default because there was nothing required to do.

Mr. Gray responded that was incorrect. There were requirements to submit plans one year prior to that date which has already passed. Currently, he could be in default if the City would do that rather than extend the lease.

Councilman Ecton asked what the implication would be if the City Council choose not to extend this?

Mr. Gray responded that if the City Council determines that an extension would not be granted, the City would default that portion of the lease, take back the Cholla Parcel, and subsequently put it out to bid.

## **7. Information**

Update on Northwest Blast Fence Issue.

Mr. Gray advised the Commission there was an action item two meetings ago directing staff to meet with the property owners regarding the blast fence at the northwest end of the airport. Subsequent to that, staff as well as a representative from the City Attorney's office met with the property owner, the property manager, and SNAPOA management on April 2<sup>nd</sup>. The City is currently working on getting a letter to the property owner indicating the direction the City will be taking. A number of items were discussed regarding short and long-term solutions. It was the position of the property owner that the only long-term viable solution would be a wall. The short-term solution would be meshing over the fence. The property owner is looking into acquisition of that and staff would be installing it on our side of the fence as a short-term solution. Staff will then be pursuing funding options to present in letter form to the property owner on how the wall would be constructed.

## **8. Action - Commission**

Recommend changes to the Airport and Airpark Rules and Regulations requiring airport perimeter building owners to implement and maintain a security plan.

Mr. Chris Read stated the details of this item were discussed at last month's meeting and it is now brought back for action. There were no major changes to the Rules and Regulations since last month and there were no comments received from the general public or the airport property owners that this would affect. In addition, the Rules and Regulations were posted in the airport terminal for five days as required in the Scottsdale Revised Code, Chapter Five, Aviation.

Commissioner Guilfooy inquired which staff member is responsible for the implementation, monitoring, and enforcement of the plan. Mr. Read responded he would be the responsible staff contact and security is part of his job description.



Commissioner Vickers stated he does not see how airport staff can develop an airport security plan without any type of background checks on those people who have access to our airport operations area.

Mr. Read responded that the plan before them may not be the final plan and they have started to discuss background checks and the Airport Security Committee has begun to look at this.

Mr. Gray stated the issue of background checks was forwarded to the Police department to analyze and provide direction since that is their area of expertise. To-date, staff has not received specific direction, however, he agreed with Mr. Read that it is one of the topics discussed at the security meetings and is not out of the question. Next week they will be hearing the Transportation Security Administration's recommendations on general aviation airport security, and based on that they may come back to the Commission indicating whether there will be requirements or not. However, they are obviously interested in doing some improvements in rule changes to ensure we have a safe and secure facility and we will rely on not only the Police department but also the TSA to provide some guidance.

Commissioner Madanick inquired if they have considered bringing in an outside consultant in regards to overall airport security. Mr. Gray responded they have not hired a specific security firm to look at their requirements, with the exception of an engineering firm that was working on the access control camera system that has already been installed. He added as far as background checks, they are relying on Scottsdale Police department and the TSA.

Commissioner Madanick told Mr. Read that he would like to be invited to the next security meeting. Mr. Read advised Commissioner Madanick that he is invited to all the meetings, however he did not attend the last one, although he had advised Mr. Read he would be attending.

Commissioner Madanick asked what we are doing for security and how secure is the airport. Mr. Read responded that they should not discuss security details in a public forum, however, if Commissioner Madanick would like to meet with him after the meeting he would be happy to discuss this issue.

Commissioner Vickers stated his concern is the fact that there are no background checks done on the people who have access to the airport operations area. He would like the record to reflect that as long as he's been a member of the Commission he's been suggesting they should do background checks.

Chairman Maxwell stated all the Part 135 people on the airport not only have background checks and fingerprints, they have periodic drug testing and identification tags already in place. Chairman Maxwell stated he does not know how they would check on transient operators, which comprise about 60 percent of the people who come here.

Commissioner Vickers said he is concerned with people who come on to the airport, such as caterers, business permittees, those who hangar off airport, etc.

Mr. Gray responded that of all the employees at the airport, City staff, and FBO employees already have background checks. In addition, almost every jet operator is required to go through an extensive background check to meet federal requirements. He added the only individuals without background checks at this point would be the small aircraft operators, which we are waiting for from insight from the TSA on that issue.

Mr. Gray stated that caterers do not have access devices to the field, however, if an FBO allows them access to the airfield, the FBO assumes the liability for their access.

Commissioner Madanick stated he owns a background search company so he is not going to side one way or the other. He added a couple of the FBO's on the field are his clients and he thinks Commissioner Vickers is thinking of people who are washing airplanes, etc. and that is a great concern so he makes a valid point.

Chairman Maxwell indicated he had a comment card.

Mr. Keith Grayson, resident, thanked Councilman Ecton for his time in Washington to be proactive in getting radar for this area as it's something that can be used to enhance the operation of the airport, particularly regarding noise. He said one thing they can do is change the glide slope to the airport so the aircraft can stay higher. He said the FAA has done some demonstrations with this.

Chairman Maxwell interjected that Mr. Grayson said he wished to speak on a security issue, yet he is speaking on another issue. He is speaking on Item 8.

Mr. Grayson continued saying they need to do something to alleviate noise by bringing the aircraft in at a lower altitude. He made several comparisons to the situation at London Airport and stated changing the glide slope would change the noise level. A lengthy discussion ensued on the types of aircraft coming in at the glide scopes and the technicalities involved.

Chairman Maxwell inquired if they could get back to Mr. Read's item.

Vice Chairman Tinnan made a motion to revise Section 221 and adding a new section to the Airport Rules and Regulations regarding establishing maintenance of airport security plans. Commissioner Mack seconded the motion and it passed by a vote of 7-0.

## **9. Information**

### **Update on North Valley Radar.**

Mr. Gray referred to the letter in the Commission packet that he co-signed along with the acting aviation director of Sky Harbor that was sent to the FAA Western Pacific Region regarding concerns about the date that the radar installation is proposed. Subsequent to that, on April 6<sup>th</sup>, they received a letter from the FAA Regional Administrator indicating they are moving the date up to 2006 timeframe to coincide with the new TRACON Tower facility at Sky Harbor Airport. Mr. Gray said he is very pleased with the response.

Commissioner Guilfoxy noted that the new radar has nothing to do with noise but will make the airspace more efficient and in the case of Scottsdale it actually allows them to handle more departures than it does arrivals. He didn't want a misconception to the public that the radar is going to do anything for noise. It does make the airspace more efficient and safer, but unless it is coupled with an RNAV approach or other visual approaches it will have nothing to do with noise.

Mr. Gray responded he is correct, however, staff does feel that there may be improvements that may reduce some of the citizens concerns, such as being able to keep aircraft higher longer and they are currently working on RNAV approaches for the airport and the radar is necessary for those procedures.

Councilman Ecton inquired if the radar would help in identifying aircraft. Mr. Gray responded the radar itself will provide Phoenix TRACON and our Tower personnel information, however, unless the City of Scottsdale pursues a system similar to what Sky Harbor has, it would not provide staff any information on the aircraft. Mr. Gray said they can obtain the information now from Phoenix, but there is a three-day delay.

Vice Chairman Tinnan asked for clarification of the third paragraph in the March 12<sup>th</sup> co-signed letter where it reads...with 90 based jet aircraft... Scottsdale is anticipating double-digit growth in the number of based jet aircraft in the next two years. Vice Chairman Tinnan stated he assumed double-digit growth means 10 or more jet aircraft based here and he wanted to know what information staff has that causes them to speculate.

Mr. Gray responded that portion of the letter was based on the available land in the Airpark which we are receiving development proposals for corporate hangars, the proposed development on the Air Center's Cholla property, and there has also been some indication of development on the Keekor Parcel, which is a large 10-acre parcel south of the Tower.

Vice Chairman Tinnan stated the response from regional administrator to Mr. Gray and Mr. Cavazos has a little request that he hopes is not being lost and that is the request presumably of the City of Phoenix to expedite the lease of the property at Central and Union Hills. He wanted to know if someone is attending to that. Mr. Gray responded, yes, and in his discussions with the City of Phoenix they are extremely interested in making sure the TRACON facility is not delayed and are working diligently with the FAA to get the leases resolved. Vice Chairman Tinnan asked if someone specifically in the City of Phoenix hierarchy has the ball in their hands on this issue. Mr. Gray responded that Mr. Cavazos is the contact.

#### **10. Information**

Presentation by the Scottsdale Tower NATCA Representatives – William O'Brien and Jim Beers.

Mr. William O'Brien stated he represents the air traffic controllers, not the FAA, as far as what goes on in the Tower, noise abatement, etc. He added he met with Mr. Gray last November and they discussed some noise abatement ideas that perhaps the Tower could assist them with. Mr. O'Brien stated he would be happy to answer questions anyone may have on why certain things are done and what they deal with everyday. Mr. O'Brien provided the Commission a lengthy overview of what goes in the Tower as far as handling the air traffic and the technical aspects of how they handle approaches and departures, and their communications with the pilots.

Mr. O'Brien stressed that safety is priority in each procedure they follow. Mr. O'Brien added that although some of our noise abatement programs are voluntary, they are stressing adherence to them as much as possible. He noted that helicopters are to follow the routes outlined in the PECOS agreement, however, once they clear the runway the Tower personnel can only do so much as they have other traffic to direct. He stated once they have vertical separation there should be improvement. Mr. O'Brien also noted the mix of aircraft is changing by moving from general aviation to corporate jet traffic, so you have less touch and go activity but increased jet traffic. He added the radar would be a great help with Scottsdale air traffic and avoid many of the delays they currently have.

Chairman Maxwell stated Dr. Scott Calev wished to speak.

Dr. Scott Calev stated it was exciting to hear some of the requests that the subcommittee meeting made about how to keep focused on the flight patterns in and around the airport turning left and it's great to hear that's being addressed. He added upon hearing the impact of the increase of corporate take offs and landings he thinks the Commission should know that if we change the curve of the airport to make it a corporate airport, bring in corporate money, and essentially have corporate money control the airport, the small private pilot will slowly be pushed out and Scottsdale will have their airport dictated by corporations, and not necessarily by this Commission anymore. Dr. Calev added in the paper a couple of months ago an article stated by 2007 over 200,000 people will be living within 5 miles of the airport, which would include parts of Phoenix. Only 33,000 people voted in our last City election and that's a lot of people to impact, a lot of people with a lot of power who will probably never ride on a corporate jet. Therefore, he's not excited about things going up 24 percent with corporate jet traffic, although the sound abatement may initially be less by the controls, radar, and focusing. But he believes if the takeoffs and landings increase, what will happen when we reach 250,000 and how noisy will it be even if we have quieter jets. He's concerned it will increase further. He added although he'd like to see the airport here, he doesn't want to hear there may be a corporate takeover of the airport pushing out the little guy.

Mr. O'Brien said they are a service put in place by the government to prevent aircraft from hitting each other. And he believes the smaller aircraft will not stay around if corporate jet traffic increases and the

overall number of smaller aircraft will go down. Mr. O'Brien continued with a lengthy description of the technicalities of handling the traffic in the pattern and the approaches and landings at Scottsdale Airport.

Mr. Gray thanked Mr. O'Brien for his presentation and stated there has been an increase in communication with Tower personnel regarding a number of issues and they are always looking for improvements and are working together to accomplish them.

#### **11. Information**

Update by City's Risk Management Division on Insurance Requirements at Airport/Airpark – Myron Kuklok, Risk Management Director.

Mr. Gary Mascaro advised the Commission that the City's Risk Management Director, Myron Kuklok, will present an update on the City's insurance requirements.

Mr. Myron Kuklok stated they do a review each year of the Scottsdale Airport and Airpark operating standards in the context of the insurance requirements and if any adjustments are warranted, which may be affected by several factors.

Mr. Kuklok stated he is only referring to insurance for Scottsdale-based aircraft and not transient operators, as that would be virtually impossible to manage. Mr. Kuklok added the current insurance requirements are adequate, with the possible exception of securing proof of aircraft liability insurance naming the City of Scottsdale as additional insured for all Scottsdale-based aircraft.

Mr. Kuklok added they have polled some area airports, i.e., Phoenix Goodyear, Deer Valley, Sky Harbor, Glendale, Payson, Yuma, Casa Grande, and Lake Havasu for what they do in terms of insurance requirements for their based aircraft. He stated only Yuma, Payson and Lake Havasu do some form of requiring insurance certificates as evidence of insurance for based aircraft. Mr. Kuklok stated that consideration should be given to revising the airport rules to incorporate the requirement that all Scottsdale-based aircraft should furnish evidence of current liability insurance and name the City of Scottsdale as additional insured. He added the key point is under this proposal they are not saying that owners should carry any minimum liability insurance, all they are saying is if they carry existing coverage give the City evidence of it and name the City of Scottsdale as additional insured. Mr. Kuklok stated if they incorporate this practice, they would also have to work with the FBO's concerning aircraft based at their facilities. Mr. Kuklok said he would like to get some feedback from the Commission.

Chairman Maxwell stated if 60 percent of their usage is transient aircraft why do they want it for the people who base their plane here, rather than people who use the airport. Mr. Kuklok responded it is the logistics involved. He added all they can do is control what they can and it would be virtually impossible to oversee all transient aircraft as well as based.

Commissioner Vickers stated he raised this very issue shortly after he joined the Commission in October of 2002. He was shocked to learn that private aircraft based in Scottsdale do not have to provide any proof of insurance, although the commercial aircraft is required by the terms of our permit. He added he is very pleased to see that the City of Scottsdale and its Risk Management department has examined this issue and he totally favors every locally-based aircraft having some minimum liability insurance and he totally supports the direction they are going; it makes good business sense.

Mr. Kuklok stated they haven't established any minimum level but he feels the operators would want to carry an amount to cover their assets without them having to set a minimum. He added some insurers charge additional fees to have the City named as additional insured.

Councilman Ecton asked of the 400 based aircraft we have, about how many don't have insurance. Mr. Kuklok said he really doesn't know and that is part of the process. He would estimate those not having it

would be small. Commissioner Guilfoxy stated it is not an erroneous request to ask them to add the City of Scottsdale named as additional insured on their policy.

Chairman Maxwell stated he does not have the City of Scottsdale named on his auto vehicle insurance, why does he need it on his plane? Mr. Kuklok responded they haven't addressed that, however if an airplane damaged a building or runway you'd have a considerable property damage liability claim, but in addition to that if a plane hits another plane, you need liability insurance.

Mr. Kuklok asked if there was a consensus that this would be a good thing. Mr. Tommy Walker said he has to do it for his tenants at the FBO and although it is a problem to enforce, he agrees with it.

Mr. Mascaro stated Mr. Kuklok's goal is to get an insurance certificate for every operator who is based at this location, whether jet or small aircraft. Since their major leaseholds require their sub lessees to carry insurance, that incorporates a large portion of the based aircraft. Since the permittees also have insurance requirements, there only remains the few single-owned based aircraft operators who are located basically on the Kilo Ramp. He believes it entails approximately 80 aircraft that they would have to directly contact and track and make sure they get the insurance. Risk Management would deal with the major leasehold tenants.

Vice Chairman Tinnan said he agrees with Commissioner Vickers. He advised staff should write a letter to each of the 80 operators they have to contact and make them aware that the Commission and staff are considering implementing such a program and invite their thoughts, comments, and reactions to see whether there is a strong backlash or no problem.

Mr. Kuklok stated he perceives the Commission as being in favor of the new insurance requirement and they agreed. Mr. Kuklok stated they should then proceed to the next step. Mr. Mascaro stated staff would work with Risk Management and provide them the information they need, get a notice out, and will provide the results at the next meeting as an information item.

Note: [Councilman Ecton requested that Item 20 be taken at this point since he and Councilman Littlefield have to leave to prepare for another meeting]

## **MEETING SCHEDULE**

### **20. Action - Subcommittee**

Review/Modify Subcommittee 2004 Meeting Schedule.

Councilman Ecton said he would not be able to make the July meeting date and the June 16<sup>th</sup> date is yet to be determined. He has no conflict with any of the other dates.

Councilman Littlefield stated for the time being they should leave the schedule as it is because they will discuss it again after their next meeting on May 19<sup>th</sup>.

Vice Chairman Tinnan commented that Councilman Ecton and Councilman Littlefield made some comments at their February 18<sup>th</sup> meeting clarifying the respective roles of their committee and the Commission, and he wanted to thank them for doing so because there had been a real problem. Vice Chairman Tinnan stated he thinks it is a good idea to have periodic joint meetings between the subcommittee and the Commission.

[Note: Commissioner Madanick left the meeting at 7:45 p.m.]

### **12. Action - Commission**

Consider motion to recommend to the City Council to AUTHORIZE Agreement No. 2004-032-COS a Lease between the City of Scottsdale and Hague, Inc.

Mr. Mascaro stated that Hague Partners is a real estate office and is non-aviation related, however, they are attempting to fill the vacant offices at the Aviation Business Center to continue the revenue source.

Hague Inc. was willing to sign a total five-year lease agreement and the base rent is anticipated to generate \$1840 in annual revenue to the Aviation Enterprise Fund.

Commissioner Mack made a motion to approve Lease Agreement No. 2004-032-COS. Commissioner Osborne seconded the motion and it passed by a vote of 6-0.

Vice Chairman Tinnan stated they are talking about a big deal here -- \$153.33 a month. First of all there is reference here that Hague has primary offices in the City of Scottsdale, he believes their primary office is in Paradise Valley. Vice Chairman Tinnan said he is uneasy with a five-year commitment to a space even though it is 92 sq. ft. and where the rental adjustment is tied to only the CPI. He asked if there was any reason why they cannot just limit it to three-years, and then simply seek renewal if they are still interested at whatever the market rate is at that time?

Mr. Mascaro responded that currently their standard lease does require a three-year firm commitment, with 2 one-year options and he believes the one-year options are at the lessee's desire, not in conjunction with both. They do have a sentence in the lease agreement that states if after three years, the lessee wants to renew and the City does not want them to continue, the City does not have to consent and they would have to move.

**13. Action - Commission**

Consider motion to recommend to the City Council to AUTHORIZE Agreement No. 2000-053A-COS a Lease Amendment between the City of Scottsdale and Blue Fig, L.L.C.

Mr. Mascaro requested that this item be tabled to possibly next month's meeting, as staff has not received the documentation required to continue with the amendment at this time.

Chairman Maxwell indicated that this issue would move to the next regularly scheduled meeting.

[Note: Items 14, 15 already taken]

**16. Information**

Airpark Development and Construction Quarterly Update.

Mr. Mascaro advised the Commission a matrix and a map has been provided in their packet and that not too many items have changed since the last update. However, he would like to note that the Aerohead Aviation hangar project is approximately five weeks away from completion. Pinnacle Air Group project has had some issues with their site plans and is still in delay. Mr. Mascaro stated this information item would probably be changed to Airport/Airpark Development and Construction Quarterly Update because the Cholla Parcel will be added to the list and updates will be provided on that project as well.

[Note: Items 17, 18 already taken]

**OPERATIONS UPDATE**

**19. Information**

Review of Airport Operations for March 2004.

Mr. Chris Read stated he would be happy to answer any question the Commission may have on the Operations Update for March 2004. He noted they were low on alerts but the incidents were up a little from last month.

Note: [Item 20 discussed earlier]

**21. Action - Commission**

Review/Modify Commission 2004 Meeting Schedule.

Mr. Gray advised the Commission that the next regular meeting is scheduled for May 12<sup>th</sup>.

**PUBLIC COMMENT**

There were no public comments at this time.

**DIRECTOR'S REPORT**

Mr. Gray stated at the last meeting it was discussed that the Commission would like to meet the new Transportation General Manager. He advised that Mary O'Connor is the new Transportation General Manager and is here this evening and he would like to provide an opportunity for her to introduce herself to the Commission.

Ms. Mary O'Connor stated she appreciated the opportunity to be at the Commission meeting this evening and stated she appreciates the work the Commission is doing.

**COMMISSION/SUBCOMMITTEE COMMENTS**

Commissioner Mack asked since the City Council was down here tonight he didn't see why they have to study signs such as, low aircraft, jet noise, caution aircraft noise, and caution low flying aircraft. He stated they have signage like that in Chandler, Gilbert, Silver City, New Mexico, and all over Florida. He does not see any reason why we can't put similar signs up on Pima Road, Scottsdale Road, Hayden Road, and Cactus Road. He noticed the City just recently came up with the new beautification signs and he sees no reason why we can't get action on this because he has brought it up more than a year ago. Commissioner Mack stated one sign should be placed right at the front door of Ironwood Village in addition to the new housing sub-division north of the airport. He added the signs should be me visible so people going in to look at the models will be notified of the airport and aircraft activity in the area.

Commissioner Mack suggested they also include a db map that's attached to every house that is resold in Scottsdale and the people have to sign off on it that they live at 96<sup>th</sup> Street and Cactus and the db area is going to be either 55 or 45 and you are living in an area where there are low flying aircraft or subject to noise from low flying aircraft. And, that would go with the house if it is resold.

Commissioner Vickers stated he agrees with Commissioner Mack and if the City of Scottsdale can post a sign on Mountain View that says traffic calming study, then we can post a sign advising citizens and perhaps this should be discussed between the Transportation department and Mr. Gray to support Commissioner Mack's request.

Commissioner Guilfooy stated in preparation for tonight's meeting Mr. Gray facilitated a meeting for him at Phoenix TRACON with the general manager of air traffic for Phoenix. He said they were very helpful, and very informative. He also had a separate meeting with the general manager and assistant general manager where they presented a slide show of all the air tracks and discussed the various radar systems.

Vice Chairman Tinnan stated on March 16<sup>th</sup> the "*Scottsdale Republic*" allowed a 30-inch column editorial by Mr. Robert Sperduti that attacked Mr. Gray and the Commission and Councilman Littlefield as being pro-noise, anti-resident and attacked the Part 150 Study as well. He stated he prepared a rebuttal to provide clarification, including the role of the Part 150 and Part 161 studies. He added Mr. Sperduti is not a qualified critic, having attended only one of the Commission meetings in the last 39 months and, therefore, is not qualified to take pot-shots. Vice Chairman Tinnan advised that the "*Scottsdale Republic*" acknowledged receipt in an email but said they did not know if they could publish it. Therefore, he wanted each of the Commissioners to have a copy of his rebuttal. Vice Chairman Tinnan thanked Commissioner Vickers for his letter, and encouraged the members of the Commission to respond when it is appropriate to do so, even though the newspaper may not always publish their response.

Commissioner Mack said he would ask Mr. Ropp's boss at the "*Scottsdale Republic*," whom he sees at his Rotary meetings, why he didn't have time or space to acknowledge what Vice Chairman Tinnan wrote. Vice Chairman Tinnan said he would appreciate that.



Commissioner Vickers stated he would like to thank Mr. Gray Scott and staff for getting the amplification devices in place for the meeting.

Mr. Gray stated this is a temporary solution as they hope to use the terminal speaker system by the next meeting, and are just waiting for the equipment to be purchased. Everyone will have his or her own microphone and it will be recorded and it hopefully will be an easier task to transcribe the minutes.

## **ADJOURNMENT**

Commissioner Mack made a motion to adjourn the meeting. The meeting was adjourned at 8:20 p.m.

Respectfully submitted,

D. Maggiola  
Administrative Secretary